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Sectoral policy questions: business and development

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Alexandru Niculescu (Romania), on the basis of informal consultations held on draft resolution A/C.2/54/L.34

Business and development

The General Assembly,

Reaffirming its resolutions 52/209 of 18 December 1997 entitled "Business and development" and 51/191 of 16 December 1996 entitled "United Nations Declaration against Corruption and Bribery in International Commercial Transactions",

Noting the adoption of relevant conventions by the International Labour Organization relating to labour,

Recalling the successful outcome of the World Summit for Social Development, including the commitments contained in the Copenhagen Declaration[1] and the Programme of Action,[2] and calling for the implementation of those commitments,

Noting the important efforts of the United Nations system to facilitate the active and constructive involvement of the private sector in the development process, and the efforts of the Secretary-General to create partnerships with the private sector in this regard,

Recognizing the sovereign right of each State to decide on the development of its private and public sectors in accordance with its priorities,

Emphasizing that business and industry, including corporations engaged in international business activities, can contribute substantially to a country's economic and social development and environmental protection, and are important generators of employment and economic growth,

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[1] *Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995* (United Nations publication, Sales No. E.96.IV.8), chap. I, resolution 1, annex I.

[2] Ibid., annex II.

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Reaffirming the importance, in the context of national development efforts, of promoting appropriate privatization, competition, entrepreneurship and a supportive legal and fiscal framework for business to increase efficiency, economic growth and sustainable development,

Recognizing the important role of small and medium-sized enterprises and microfinancing in supporting economic and social development,

Recognizing also that a dynamic business sector is essential to economic growth, job creation, trade expansion and technology development,

Recognizing the link between effective, accountable and transparent administration of the public sector, financial transparency in the private sector, investor confidence and the stability of financial systems,

1. *Takes note* of the report of the Secretary-General entitled "Business and development";[3]

2. *Encourages* Governments, multilateral institutions and the private sector, including corporations engaged in international business activities, to strengthen partnerships to advance sustainable development through, *inter alia*, supporting the stable functioning of the international finance and trade system and investment flows, particularly in support of the development efforts of developing countries, as well as countries with economies in transition;

3. *Encourages* Governments to create an environment that enables businesses to conduct their activities in a humane, sustainable and socially responsible way;

4. *Urges* all Governments to create an enabling environment for business and investment, including through sound macroeconomic, fiscal and development policies, the rule of law, anti-corruption and anti-bribery efforts, and transparent business practices that promote efficiency, fairness and competitiveness in international commercial transactions, taking into account the needs of developing countries;

5. *Urges* the private sector, including corporations engaged in international business activities, to conduct orderly and fair business practices while adhering to and promoting the principles of honesty, transparency and accountability in international commercial transactions with a view to contributing to efforts to create an enabling environment for business and investment;

6. *Requests* the international community, including the business community and relevant international bodies, to consider ways and means of promoting such principles and practices and respect for those principles and practices by multinational companies in their operations in all countries;

7. *Emphasizes* the importance of a supportive international economic environment, including investment and trade, for the promotion of entrepreneurship and privatization;

8. *Strongly stresses* the need for adequate resources, including the provision of new and additional resources from all sources, and transfer of technology on favourable terms, including on concessional and preferential terms as mutually agreed, to developing countries, particularly to Africa and the least developed countries, for developing appropriate infrastructure and business services to promote entrepreneurship;

[3] A/54/451

9. *Recognizes* the special development priorities and concerns of developing countries and in this regard calls for international support for the realization of their development goals including through the promotion of business and entrepreneurship;

10. *Stresses* the importance of microfinance, including microcredit, to people living in poverty, in respect of allowing them to undertake the establishment of micro-enterprises, which in turn generate self-employment and contribute to the achieving of empowerment, particularly of women, and calls for the strengthening of institutions supportive of microfinancing, in particular microcredit;

11. *Values* the promotion of entrepreneurship, including through the informal sector and micro-enterprises, in the development of small and medium-sized enterprises and industries by various actors throughout civil society, and of privatization, demonopolization, and the simplification of administrative procedures;

12. *Stresses* the importance, in the context of establishing and maintaining adequate social safety nets, including to assist workers, of encouraging investment in human resources through programmes devoted to health, education and job training, and recognizes that such efforts are an integral part of overall poverty reduction strategies;

13. *Encourages* the United Nations Conference on Trade and Development to continue to provide a forum for intergovernmental discussions concerning issues related to private sector development and international flows of investment, with input from representatives of the private sector;

14. *Invites* the United Nations Industrial Development Organization and other relevant United Nations organs to further strengthen their activities, in particular for Africa and the least developed countries, in the promotion of entrepreneurship development, especially for small and medium-sized enterprises, and calls upon the international community to lend its support, where appropriate, to the United Nations Industrial Development Organization in this regard;

15. *Calls upon* the United Nations funds and programmes, in accordance with their mandates, to continue to strengthen support for the promotion of entrepreneurship and, in their work in implementing the present resolution, to give due consideration to the role of the business sector in development, taking into account the priorities set by each country, while ensuring a gender perspective;

16. *Calls also upon* the relevant bodies of the United Nations system, within their respective mandates and agreed work programmes, to continue to assist Member States, at their request, in implementing national programmes to create an enabling environment for business, investment and development;

17. *Stresses* the need to continue to assist developing countries and countries with economies in transition, at their request, in strengthening their capacity to encourage wider participation of the private sector in their economies;

18. *Invites* relevant United Nations organizations, within their mandates and in consultation with Governments, to promote meaningful contributions by business, in both the public and private sectors, in support of economic growth and sustainable development;

19. *Decides* to include in the provisional agenda of its fifty-sixth session the item entitled "Business and development", and requests the Secretary-General, in cooperation with the relevant United Nations organizations, to submit at that session a report on the implementation of the present resolution.